

JUSTIFICATION  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
23 Christopher Way  
Eatontown, NJ 07724
2. Description of Action: This proposed action is for a firm-fixed-price task order that will be issued under the Transformation Twenty One Total Technology Next Generation (T4NG) Program, Indefinite Delivery, Indefinite Quantity (IDIQ) Contract Number VA118-16-D-1020 with Intelligent Waves, LLC for engineering services.
3. Description of the Supplies or Services: VA Office of Information & Technology (OI&T), Enterprise Systems Engineering (ESE), has a requirement for engineering services to support ESE staff in providing central engineering services and management of a technical framework promoting one technology vision across the VA enterprise, which supports system optimization, design, testing, integration and interoperability throughout the enterprise. Systems engineering is an interdisciplinary approach and enables the realization of successful systems, proceeding from concept to production to operation. ESE incorporates the overall functions of the systems engineering discipline, and works collaboratively with other parts of the VA organization to accomplish an overall goal of applying the systems engineering approach toward the realization of successful system solutions in the VA Information Technology (IT) environment. The period of performance is for a 12-month base period and one 12-month option period.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(4) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(D), entitled "It is necessary to place an order to satisfy a minimum guarantee."
5. Rationale Supporting Use of Authority Cited Above: The proposed source is Intelligent Waves, LLC, 1801 Robert Fulton Drive, Suite 440, Reston, VA, 20191. Solicitation VA118-15-R-0558 was issued competitively, utilizing the Federal Business Opportunities (FBO) website on November 19, 2014. The solicitation closing date was December 19, 2014. Twenty-four offerors were chosen for an award in accordance with the criteria set forth in the Basis for Award of the solicitation. Included in the solicitation was FAR clause 52-216-22, Indefinite Quantity, which stated the minimum guaranteed award for each resultant contract award under the T4NG contract. This order is being issued to Intelligent Waves, LLC to satisfy the minimum guarantee. Intelligent Waves, LLC has been determined by the Government's technical experts to meet all aforementioned required services. The determination included a review of the selected awardee's technical capabilities.

This requirement includes one 12-month option period due to the transition and onboarding concerns of recompeting this requirement in 12-months from date of initial award. Due to the type of engineering services being procured with this effort, continuity of services is required to ensure appropriate and timely support of the VA's Two Factor Authentication implementation policy. Two-Factor Authentication is a security process in which the user provides two means of identification from separate categories of credentials; one is typically a physical token such as a Personal Identity Verification (PIV) card, and the other is typically a security code or password. VA mandated the use of Two-Factor Authentication and specifically enforced the use of PIV card authentication for users to gain access to all VA systems. This ESE requirement for engineering services directly supports VA's implementation of its Two Factor Authentication policy. The proposed source for these services, Intelligent Waves, will be responsible for developing and enhancing engineering processes and standards throughout the base period of the task order, which will not be ready for implementation until the option period. VA is expected to provide engineering services to ensure continued optimal access to VA systems for Veterans. Continuous workflow capability is needed to maintain the process efficiency and product quality that is gained through a learning curve by the initial Contractor. If a different Contractor is awarded the option period, the engineering processes and standards will have to be re-engineered because a new Contractor will likely use different methodologies that do not adhere to standard procedures developed in the base year. Intelligent Waves has the technical knowledge and expertise to execute a rapid ramp-up to enhance and implement the Two Factor Authentication process efficiently and effectively, which ultimately provides benefits services to the Veteran. Intelligent Waves is renowned in its developing and enhancing authentication processes and methods, and it possesses the technical and engineering knowledge to ensure a successful design and implementation that meets the VA requirements in a sustainable and cost effective manner.

A minimum guaranteed order under an IDIQ contract must be placed during the same fiscal year as the IDIQ is awarded to avoid a bona fide need violation. Once the IDIQ contract has been awarded, the obligation for the minimum guarantee is created. Given the time remaining in the fiscal year, it is not possible to compete the orders with an expectation that each remaining T4NG contractor not meeting the minimum will be awarded one.

6. Efforts to Obtain Competition: In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), this action will be synopsized at award on the Federal Business Opportunities page and the justification will be made publicly available within 14 days after the award. In addition, this justification will be posted with the solicitation to notify all the T4NG vendors.

7. Actions to Increase Competition: There is no competition anticipated for this action as it is being issued to meet the mandatory minimum guaranteed value for this IDIQ contract. It is expected that any future requirements will be awarded on a competitive basis.

8. Market Research: Market research was not conducted for this effort. The order is being issued to meet the mandatory minimum guaranteed value for this IDIQ contract.

9. Other Facts: Twenty-one of the T4NG contracts were awarded on March 7, 2016. An additional three contracts were awarded on June 10, 2016. Due to protests, these contracts were not available for use until June 21, 2016. An additional four contracts were awarded on August 2, 2016, for a total of 28 T4NG contracts. Eleven awards have been made competitively, resulting in the minimum guarantee being met for six of the T4NG contractors.